



State of Delaware
Office of Auditor of Accounts
R. Thomas Wagner, Jr. – CFE, CGFM, CICA
At a Glance

Working Hard to Protect YOUR Tax Dollars

Why We Did This Analysis

Based on proposed legislation to consolidate the State's 19 school districts into four school districts, one per each of the three counties and one vocational technical (Vo-Tech) district, the Office of Auditor of Accounts (AOA) performed an analysis to determine a baseline potential administrative cost savings to the State that would result from the consolidation of Districts.

Background

The State of Delaware currently has 19 school districts, including three Vo-Tech districts. There is one Vo-Tech district located in each county. The total number of school districts per county is as follows:

- New Castle County – 5
- Kent County – 7
- Sussex County – 7

The number of school buildings per district varies from one to 28, and the number of students per district ranges from 1,147 to 17,292.

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COST SAVINGS REVIEW – SCHOOL DISTRICT CONSOLIDATION

Background

Proposed legislation includes provision for the consolidation of the existing 19 Delaware school districts into 4 districts: a Northern District, comprised of land north of the Chesapeake & Delaware Canal, a Central School District including New Castle lands south of the Canal and all of Kent County, a Southern District consisting of Sussex County, and one consolidated Vo-Tech school district.

What We Found

Breakout of Existing Districts into Consolidated District Groups for Analysis.

Based on terms of proposed legislation and review of existing districts, the existing 19 districts were categorized as follows into the four new proposed districts:

Northern District
Brandywine

Christina
Colonial
Red Clay

Central District
Appoquinimink

Caesar Rodney
Capital
Lake Forest
Milford
Smryna

Southern District
Cape Henlopen

Delmar
Indian River
Laurel
Seaford
Woodbridge

Vo-Tech District
New Castle County
Vo-Tech
Polytech
Sussex Vo-Tech

Source of Payroll Information. Based on review of fiscal year 2008 payroll information extracted from the State payroll system (PHRST), AOA performed a data analysis on administrative positions at the 19 districts. To determine the administrative position population, we reviewed the total employee listing for all Districts, and further extracted employee positions with administrative object codes, as noted below, so that we could obtain a complete listing of Administration positions for all Districts in the State:

Object Code	Description
1101	Chief School Officers' Salaries
1105	Assistant Superintendents' Salaries
1106	Director – Administrators
1107	Director – Instruction
1108	Administrative Assistant – Executive
1109	Administrative Assistant – Support
1110	Supervisor – Instruction
1111	Supervisor – Support Services
1112	Specialist – Support Services
1113	Specialist – Transportation
1117	Specialist – Maintenance
1118	Coordinators
1122	Visit Teacher/Home Visitor
1124	Psychologists
1138	Clerical – Support Services
1139	Clerical – Executive
1142	Cafeteria Supervisor
1146	Transportation Supervisors' Salaries

Payroll data for the administrative positions was then grouped according to the district definitions for the 4 proposed districts. *(Note: The Vo-Tech district is excluded from this analysis, as the AOA calculated baseline potential administrative cost savings to the State that would result from Vo-Tech consolidation in a prior, separate report. As a result, the information below is for the three remaining proposed districts.)*

Based on research of surrounding states, AOA identified several comparably sized districts to each proposed district, and we obtained their respective rosters of administrative positions. We compared the number of administrative positions, by category, to the average number of administrative positions for that category in the comparable districts.

AOA proposes the positions in excess of those found in comparably-sized districts for elimination, as shown in the table below:

Proposed Consolidated District (PCD)	# of Positions in PCD	Average # of Positions in Comparable Districts	Proposed # of Eliminated Positions
Northern District	455	92	363
Central District	292	33	259
Southern District	157	38	119

Note: This table shows proposed eliminated positions, in total, for each proposed Consolidated District. A detailed table, by category is shown in [Attachment A](#).

Cost Savings for Vo-Tech Consolidated District. In a previously issued report, AOA noted that: *“The total expected cost savings to be realized by consolidation is \$4,436,327 (this includes pension and other employment costs (OEC’s) in addition to the salary amounts).”*

Cost Savings for Three Proposed Consolidated Districts (other than Vo-Tech). Based on the proposed eliminated positions noted above, AOA calculated the baseline potential administrative cost savings to the State for district consolidation, including pension and other employment costs, to be approximately \$45.5M (breakout by proposed Consolidated District noted below):

Northern District	\$ 22,797,138
Central District	14,320,699
Southern District	8,351,585
Total	<u>\$45,469,422</u>

Positions were highlighted on the Excel file extracted from PHRST (as noted above) to correspond to the number and type of positions needed for the proposed Consolidated School Districts. In instances of duplicate positions found during this analysis, the positions retained reflect the middle or average salaried individuals for that job class.

What We Recommend

Administrative costs for education in Delaware appear excessive as compared to other states. We recommend that the State consider the consolidation of School Districts to minimize administrative costs associated with education in Delaware’s schools. Having 19 Districts appears excessive for the number of students and schools within the State, as compared to other Districts and States.

Based on the analysis above and, in consideration of our prior report on Vo-Tech consolidation, projects the baseline administrative cost savings associated with consolidation of Delaware School Districts to be approximately \$50.1 million. Actual cost savings achieved from the consolidation process would likely be higher than this projected amount.

ADMINISTRATIVE POSITIONS PROPOSED FOR ELIMINATION, BY CATEGORY, BY DISTRICT
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Proposed New Castle County Consolidated School District

Position Category	# Positions in Proposed Consolidated District	Average # of Positions in Comparable Districts	Proposed # of Positions to Eliminate in Consolidation	Total Cost Savings (Salaries + OEC's)
Admin. Assistant - General Admin/legal	2	1	1	\$ 73,961.50
Superintendent	4	1	3	608,708.04
Deputy/Assistant Superintendent	8	4	4	604,606.56
Casual/Seasonal	11	2	9	359,015.74
Clerks	26	0	26	693,522.12
Directors	21	13	8	1,329,169.97
Managers/Supervisors	48	34	14	2,553,328.36
Secretaries	112	9	103	4,808,974.00
Financial Secretaries	53	7	46	2,603,674.18
Specialists	90	21	69	4,631,633.50
Other	80	0	80	4,530,543.71
TOTAL	455	92	363	\$ 22,797,137.68

Proposed Kent County Consolidated School District

Position Category	# Positions in Proposed Consolidated District	Average # of Positions in Comparable Districts	Proposed # of Positions to Eliminate in Consolidation	Total Cost Savings (Salaries + OEC's)
Admin. Assistant - General Admin/legal	2	1	1	\$ 114,935.35
Superintendent	6	1	5	932,647.25
Deputy/Assistant Superintendent	6	3	3	453,275.58
Casual/Seasonal	5	0	5	124,615.82
Clerks	19	0	19	496,153.98

Directors	12	7	5	675,242.62
Managers/Supervisors	41	12	29	2,924,397.01
Secretaries	72	2	70	3,356,408.82
Financial Secretaries	48	2	46	2,283,674.00
Specialists	34	5	29	1,563,530.41
Other	47	0	47	1,395,817.97
TOTAL	292	33	259	\$ 14,320,698.81

Proposed Sussex County Consolidated School District

Position Category	# Positions in Proposed Consolidated District	Average # of Positions in Comparable Districts	Proposed # of Positions to Eliminate in Consolidation	Total Cost Savings (Salaries + OEC's)
Admin. Assistant - General Admin/legal	2	1	1	\$ 126,959.94
Superintendent	5	1	4	699,938.20
Deputy/Assistant Superintendent	5	2	3	349,827.31
Casual/Seasonal	2	0	2	126,526.62
Clerks	3	0	3	132,982.55
Directors	9	4	5	557,553.65
Managers/Supervisors	21	18	3	1,426,410.26
Secretaries	45	1	44	2,034,813.87
Financial Secretaries	25	4	21	978,902.55
Specialists	25	7	18	1,332,340.25
Other	15	0	15	585,330.11
TOTAL	157	38	119	\$ 8,351,585.30

Proposed Vo-Tech Consolidated School District

Note: For detailed breakdown of administrative positions proposed for elimination as part of the Vo-Tech District consolidation process, please see the separate "Consolidation of Vo-Tech School Districts" At a Glance.